MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2021/2022

UTS2612 – INTERNATIONAL TRADE AND SHIPPING LAW

(All Sections / Groups)

08 AUGUST 2022
Reading Time: 9.00 a.m. – 9.15 a.m.
(15 Minutes)
Answering Time: 9.15 a.m. – 12.15 p.m.
(3 Hours)

INSTRUCTIONS TO STUDENT

1. Students will have **fifteen minutes** during which they may read the paper and make rough notes ONLY in the question paper. Students then have the remaining **THREE HOURS** in which to answer the questions.

2. This Question paper consists of 3 pages with 5 Questions only.

3. This Question paper consist of 2 Parts (Part A and Part B). Attempt ONE question only in Part A and all THREE questions in Part B. All questions carry equal marks and the distribution of the marks for each question is given.

4. Students are only allowed to bring in a CLEAN and ORIGINAL COPY of the following statutes into the exam venue:

   i. Merchant Shipping Ordinance 1952
   ii. Carriage of Goods by Sea Act 1950
   iii. Reciprocal Enforcement of Judgments Act 1958
   iv. United Nations Convention on Contracts for the International Sale of Goods (CISG)

   "Clean" is defined to include no tagging, no annotation either by the publisher or anyone else, and no erased marking. Highlighting and underlining are also prohibited.

5. Please write all your answers in the Answer Booklet provided

PART A:

ANSWER ANY **ONE (1)** QUESTION ONLY

QUESTION 1A

Alexander an entrepreneur from the Cayman Islands. He owns a fleet of ships including cargo ships. He intends to expand his shipping empire business in the Association of Southeast Asian Nations (ASEAN) Region, especially in Malaysia.

(a) He seek your advice on why countries encourages ship owners to register their ships in a particular country?

(b) Advise Alexandar on matters in relation to registration of ship and its effect, supported with decided case(s), if any under the Merchant Shipping Ordinance 1952.

(Total: 25 marks)

OR

QUESTION 1B

International sales of goods tend to present the same difficulties as domestic sales. There must be a valid contract with the subject matter clearly agreed and the parties' respective obligations and rights to be set out in advance as far as possible to avoid problems. In light of the above statement, discuss briefly the requirement(s) for an agreement to be legally binding under international trade law.

(Total: 25 marks)

Continued...

PART B:

ANSWER **ALL** QUESTIONS

QUESTION 2

Newton Shipping, a shipping company incorporated and being registered in Australia, signed a contract with Bunga Raya Sdn. Bhd., a company incorporated and registered in Malaysia to transport goods for Bunga Raya Trading from Malaysia to Vietnam.

When Newton Shipping's ship entered the harbour of Vietnam to deliver the goods, the ship blew up destroying all of Bunga Raya Sdn Bhd's goods. No provisions were made in the contract to settle disputes or the law that is to be applied to resolve them.

Bunga Raya Sdn. Bhd. brought an action in Vietnam. Newton Shipping now argues that the court does not have jurisdiction and that Vietnam's law should not be applied to decide the dispute.

Advise Bunga Raya Sdn Bhd.

(Total: 25 marks)

QUESTION 3

Fresh Best Sdn Bhd charted the *M.V.* Vanguard from Jack Cargo Sdn Bhd for a voyage from Westport, Klang, to Keelung, Taiwan. Fresh Best Sdn Bhd was supposed to load on board the ship, by 12 January 2021 the following goods:

i) 5000 barrels of chilli sauce.
ii) Twenty containers of garments.
iii) 200,000 kilograms of frozen chicken.

When Fresh Best Sdn Bhd tendered the barrels of chilli sauce for loading, it was rejected by the master on the basis that storage of that particular type of cargo resulted in space being wasted in the cargo-hold of the *M.V.* Vanguard. Further Fresh Best Sdn Bhd was unable to deliver the twenty containers of garments to Northport for loading as a strike by road haulers left them stranded at its factory premises. Two days ago, the Malaysian government banned the sale of chicken in Malaysia and prohibited any export of chicken because of an outbreak of bird flu in the Northern states in Malaysia. The master refused to accept the cargo of 200,000 kilograms of frozen chicken and insisted that alternative frozen goods be tendered instead.

In the light of the scenarios above:

a) Advise Fresh Best Sdn. Bhd. of its rights and liabilities under the charter-party.

(20 marks)

b) Explain whether your advice in (a) above would differ if the *M.V.* Vanguard was unseaworthy on 12 January 2021.

(5 marks)
(Total: 25 marks)

Continued ...

QUESTION 4

(a) Show the differences between Salvage and Towage.

(10 marks)

(b) What is maritime lien? Distinguish maritime lien from other types of maritime claims.

(15 marks)

(Total: 25 marks)

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